

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6602**

**BILL NUMBER:** HB 1046

**NOTE PREPARED:** Dec 16, 2005

**BILL AMENDED:**

**SUBJECT:** Penalties from Failed Tax Sales.

**FIRST AUTHOR:** Rep. Austin

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill requires that penalties recovered from a tax sale bidder who fails to pay the bid be deposited in the county's general fund rather than the Common School Fund.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** The fiscal impact of this bill will result in a decrease in revenue deposited in the state Common School Fund. The amount of money that will be diverted from the Common School Fund to county general funds is indeterminable since the money received from county auditors for various fines and forfeitures is submitted to the Auditor of State in a lump sum.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** The fiscal impact on county general funds will vary based on the amount of such penalties from each county that will be diverted from the state Common School Fund.

**State Agencies Affected:**

**Local Agencies Affected:** Counties.

**Information Sources:** Dan Bastin, Auditor of State, 317-232-3309.

**Fiscal Analyst:** Valerie Ruda, 317-232-9867.